from investors stating that the fund was not honouring its commitments made under the scheme. On 30th November, 1999, under Section IIB of the SEBI Act, 1992, SEBI issued directions to Indian Bank Mutual Fund to pay the assured returns to the investors and in case it is unable to do so, the shortfall shall be borne by Indian Bank which is the sponsor as well as the Principal Trustee of the mutual fund.

Indian Bank Mutual Fund and Indian Bank Preferred an appeal to the Central Government against SEBI's directions. The Government rejected the appeal vide its order dated 18.2.2000 and directed the appellants to comply with SEBI's directions within two months.

Money Released for Recapitalisation of Banks

516. SHRI PRAFULL GORADIA: Will the Minister of FINANCE be pleased to state:

(a) the amount of non-performing assets of the Indian Bank at the end of March, 1998;

(b) the amount of money already relea.sed to the Indian Bank by Government for recapitalisation; and

(c) what action has been taken against Indian Bank officers responsible for those non-performing as.scts of the banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) As reported by the Indian Bank, the net n on-performing of assets of Indian Bank as on 31.3.1998 was Rs. 188a.67 crorcs.

(b) An amount of Rs. 2494.96 crorcs was released to the Indian Bank upto 31.3.1999 by way of rccapitalistion assistance.

(c) Non Performing A.sscts (NPAs) arise for a number of reasons not all of which are attributable to action or in action on the part of the officials of the banks. Some of the rca.sons are external to the bank and do not arise from either deficiency in credit appraisal or

malafide action on the part of any official. As reported by Indian Bank, the bank has initiated disciplinary proceedings against officers for the lapses and the particulars of punishment imposed are given below:

Items	1997	1998	1999
No. of cases in which punishment has been imposed	111	127	193
Sanction given to CBI for prosecution of officiers	6	12	8
Of the above major penalty imposed	25	61	49
Disiplinary cases pending against officers as on 31.12.99	—	—	235
No. of PE/REs registered by CBI	4	17	4

Prosecution Against Vanishing Companies

517. SHRI AMAR SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether Government have launched any prosecution against the vanishing companies all over the country as pointed out by SEBI; and

(b) if so, whether prosecution has since been launched against all such companies and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) Yes, Sir. Action against several companies which have defaulted in their commitments made to the public while mobilizing funds, has been taken by the regulatory agencies, namely, the Securities and Exchange Board of India (SEBI)/Department of Company Affiars (DCA)/Reserve Bank of India (RBI).

Companies which mobilise resources through public issues in the